

Exhibit 4

From: Larry Horn
To: Jaime Siegel; AVCGroup
CC: Jane Tannenbaum; Jill McLain; Lynn Roginski
Sent: 4/26/2004 6:38:39 PM
Subject: FW: Ancillary AVC Docs

Dear Jaime,

Good catch. The inconsistency between the Agreement Among Licensors and the AVC License was an oversight. We propose retaining a definition of "Affiliates" in the Agreement Among Licensors but changing the definition to be "more than 50%" (your second option). This also will be consistent with the definition of "Affiliates" in Section 1.1 of the AVC License (already defined as "more than 50%") yet still retain the Licensing Administrator's discretion in Section 1.1 (as previously discussed) to allow the Licensing Administrator to include as Affiliates (for purposes of the Enterprise Cap) legal entities over whom a licensee has control even though not greater than 50%. As you will recall, the latter change was incorporated into the MPEG-4 Visual License to accommodate multinational mobile providers who have less than majority control over local carriers in certain countries; and it is equally important here. But, the grant back obligations of a Licensee would apply in the normal course only to a "more than 50%" Affiliate (not to a "50% or more" Affiliate and not to a less than 50% Affiliate). Thus, it would be like the MPEG-2 License (while still being attractive to multinational enterprises where the Licensing Administrator's discretion is exercised).

Best regards,
Larry

From: Jaime Siegel
Sent: Friday, April 23, 2004 4:36 PM
To: Larry Horn; AVCGroup
Cc: Jane Tannenbaum; Jill McLain; Lynn Roginski
Subject: RE: Ancillary AVC Docs

Dear Larry,

In reviewing the Agreement among Licensors, we noticed an issue with regard to Sections 1.1, 1.6, 2.3 and 2.7.

First, we have an issue with the inclusion in the license of Affiliates Patents (1.6, 2.3, and 2.7).

Second, we have an issue with the definition of Affiliates as being "50% or more..."

We do not recall any discussion on these points. In fact, neither the MPEG2 or MPEG4 Video agreements capture patents of Affiliates that are 50% or more owned or controlled by a Licensor.

The MPEG2 agreement includes patents that an Affiliate has the right to license, but, Affiliates are defined as "more than 50% of the ownership" The MPEG4 Agreement among Licensors does not include Affiliates at all.

Our preference would be to drop Affiliates completely from the AVC license, in accordance with the scope of the MPEG4 Video license. If there is a consensus against this, however, we must change the definition of Affiliates to be "more than 50%."

Thank you for your consideration.

Best regards,

Jaime

-----Original Message-----

From: Larry Horn [mailto:LHorn@mpegla.com]
Sent: Wednesday, April 21, 2004 8:38 PM
To: AVCGroup
Cc: Jane Tannenbaum; Jill McLain; Lynn Roginski
Subject: FW: Ancillary AVC Docs

Dear Colleagues,

Attached are Final Drafts of the three Licensor Agreements (redlined to show changes from the earlier drafts).

If you see any corrections that need to be made, please let us know.

We will plan to produce the final agreements next week, so they may be distributed by May 10 for your signatures.

Best regards,
Larry